



# COMMONWEALTH OF MASSACHUSETTS

## Department of Telecommunications and Cable

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### **NOTICE**

To: Local Exchange Carriers in Massachusetts

From: Lindsay DeRoche, Director, Competition Division

Date: May 22, 2017

Re: 2017 Intercarrier Compensation Rate Reduction Tariff Filings;  
Related ILEC Certifications and Data Submittals

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Through this Notice, the Department of Telecommunications and Cable ("Department") modifies its general tariff-filing requirements, which are otherwise still in effect, and provides guidance to carriers for filings relating to the July 2017 intrastate intercarrier compensation ("ICC") switched access and reciprocal compensation rate reductions mandated by the Federal Communications Commission ("FCC"). The Department relies on FCC requirements, industry input, and Department practice as a guide.

**Filing Deadlines.** The Department determines in this instance that good cause exists to permit tariff revisions to take effect before the expiration of the statutory 30-day period ("expedited effective date").<sup>1</sup> Because the FCC ties carriers' annual intrastate ICC rate reductions to carriers' corresponding interstate rate reductions, which have shorter filing deadlines, the Department will permit carriers to file tariff revisions reflecting the 2017 ICC rate reductions according to the following schedule. **Please note that Department staff may contact carriers seeking clarification or revisions within 30 days of the date of the filing.**

**ILECs:** Filings are due to the Department on the same day as the carrier's interstate switched access filings are due with the FCC: June 16, 2017, for a July 1, 2017, effective date, or June 26, 2017, for a July 3, 2017, effective date, depending on the type of changes the tariffs propose.<sup>2</sup>

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<sup>1</sup> See G.L. c. 159, § 19.

<sup>2</sup> See *In re Material to be Filed in Support of 2017 Annual Access Tariff Filings*, WC Docket No. 17-65, *Order*, DA 17-65 (rel. Apr. 24, 2017); *In re July 1, 2017 Annual Access Charge Tariff Filings*, WC Docket No. 17-65, *Order*, DA 17-258 (rel. Mar. 16, 2017).

**CLECs:** Filings are due to the Department by the same day that the carrier's interstate switched access filings are filed with the FCC but no later than one calendar day prior to the effective date of the change.

As a reminder, "issued" dates for all tariff revisions should reflect a date no earlier than when the Department receives an original, hardcopy of the filing.

**Filing Fee.** \$100.00 check per tariff revision, payable to the "Commonwealth of Massachusetts." The Department waives the additional \$100.00 filing fee for expedited effective date filings.

**No References to Outside Documents.** Consistent with Department practice and requirements, the Department will not permit references to other documents (e.g., federal tariffs) in lieu of actual rates.

**Rate Levels.** The Department expects that, consistent with FCC requirements, carriers' relevant intrastate ICC rates will correspond to their comparable interstate ICC rates as of their July 2017 effective date. The Department reminds carriers that it will not permit rate increases on ICC rates impacted by the FCC's reforms and notes that there may be instances where ILEC rates continue to exceed CLEC rates.<sup>3</sup> **To the extent that a carrier submits proposed ICC rates that exceed prior-year ICC rates (e.g., originating access), the Department may automatically reject the filing and require a filing revision.**

**Supporting Materials.** Because carriers' intrastate rates and rate reductions are tied to their interstate rates, and CLECs' rates cannot exceed the competing ILEC's rates, the Department directs carriers to submit supporting materials that explain their intrastate rate reductions. Materials should include: (1) a written explanation for the reductions; (2) a reference to the carrier's relevant corresponding interstate tariff number, section, and page numbers; (3) copies of the carrier's corresponding interstate tariff pages; (4) if applicable, calculations utilized for the reductions; and, **relevant to price cap areas for 2017, (5) a statement of whether the carrier owns a tandem switch that serves intrastate access traffic in Massachusetts, and, if so, an explanation of the carrier's ownership of any such tandem switch(es) and the relevant tandem switch serving area(s).**<sup>4</sup>

**Suspensions.** If the FCC suspends a carrier's interstate tariff filing subject to the FCC's ICC reforms, the Department may suspend the corresponding intrastate filings or take other appropriate action.<sup>5</sup>

<sup>3</sup> In 2013, Verizon revised its intrastate access rates in accordance with federal requirements. See 47 C.F.R. §§ 51.907(c)(4), 51.911. The Department has not permitted CLECs to increase their rates to continue to match Verizon's rates, some of which had increased on July 1, 2013. See *id.* Although Massachusetts ILEC and CLEC intrastate terminating access end office rates realigned in July 2014, originating access and other rates will continue to vary between CLECs and Verizon going forward. The Department will not permit CLECs to increase those remaining rates barring a change in federal law or FCC rule or regulation.

<sup>4</sup> See 47 C.F.R. § 51.907(g); *In re Connect Am. Fund*, WC Docket No. 10-90, *Report & Order & Further Notice of Proposed Rulemaking*, FCC 11-161 (rel. Nov. 18, 2011), ¶ 801, Fig. 9. The Department continues to monitor the petition for stay pending before the FCC. See *In re Connect Am. Fund*, WC Docket No. 10-90, *CenturyLink, Inc. Petition for Limited Stay of Transformation Order Years 6 & 7 ICC Transition – As It Impacts a Subset of Tandem Switching & Transport Charges* (filed Apr. 11, 2017).

<sup>5</sup> See, e.g., G.L. c. 159, §§ 19, 20.

**Carriers with No Access Traffic.** The Department will not accept letters in lieu of tariff revisions where carriers with access tariffs on file with the Department claim to have no access traffic. If a carrier no longer offers the tariffed services, the carrier should revise the Statement of Business Operations and tariff(s) on file with the Department accordingly.

**Related ILEC Certifications and Data Submittals.** The Department reminds ILECs of their obligations to submit to the Department a duplicative recovery certification and, if collecting Connect America Fund (“CAF”) ICC support, CAF ICC data with their annual access tariff filing submittals.<sup>6</sup>

**Confidential Materials.** The Department directs all carriers to submit unredacted documentation to the Department. **To the extent that a carrier deems any information submitted with its filing to be proprietary, the filing should include a Motion for Confidential Treatment.** The Department will not grant blanket requests for confidentiality, and carriers should not redact information otherwise available from public sources.

**Transmittal Letter.** Carriers should direct all submittals to the attention of Sara Clark, Department Secretary. The transmittal letter should: (1) reference this Notice; (2) summarize all documentation within the filing; (3) list the tariff number(s), section(s), and page(s) being revised; and (4) explain what the proposed revisions accomplish (refer to Supporting Materials section, *supra*). The transmittal letter should also include contact information in case Department staff has any questions about the filing.

**Hardcopy Filings and Number of Copies.** All filings should be submitted as hardcopies. If a carrier seeks confidential treatment for any of the submitted information, the filing should include one unredacted original, one unredacted copy, and two redacted copies of the filing. If a carrier does not seek confidential treatment, the filing should include one original version and one copy.

**Electronic Filings and Accessibility.** The Department does not have an online tariff filing system. However, multiple parties have urged the Department to make unofficial electronic copies of ICC tariff revision filings accessible. In order to accommodate these requests, the Department requests that all carriers submit .pdf copies, in addition to their hardcopy filings, to Sara Clark at [dtc.efiling@state.ma.us](mailto:dtc.efiling@state.ma.us). The Department has created a tab entitled “ICC Tariff Filings” on its homepage at [www.mass.gov/dtc](http://www.mass.gov/dtc), and will endeavor to post all initial tariff revision filings and, if applicable, subsequent revisions, after they are received.

**Contact.** For questions about this Notice, please contact Armine Simonyan, Economist, at [Armine.Simonyan@state.ma.us](mailto:Armine.Simonyan@state.ma.us) or (617) 305-3580.

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<sup>6</sup> See 47 C.F.R. §§ 51.915(d)(3), 51.917(d)(1)(vii), 54.304(c)-(d).